



Rules and Ancillary Document Review Checklist
(This form must be filled out electronically.)

All responses should be in **bold** format.

Document Reviewed (include title):

WAC 458-40-530 Property tax, forest land -- Land grades -- Operability classes.

WAC 458-40-540 Forest Land Values

Date last adopted: **WAC 458-40-530 adopted December 1, 2000**

WAC 458-40-540 adopted December 19, 2002

Reviewer: **Ed Ratcliffe**

Date review completed: **May 1, 2003**

Is this document being reviewed at this time because of a taxpayer or business association request? (If "YES", provide the name of the taxpayer/business association and a brief explanation of the issues raised in the request). **YES** ☐ **NO** ☒

Type an "x" in the column that most correctly answers the question, and provide clear, concise, and complete explanations where needed.

1. Explain the goal(s) and purpose(s) of the document: WAC 458-40-530 explains how the land grade and operability classes are determined for a parcel of designated forest land. WAC 458-40-540 provides the forest land values to be used by county assessors for assessing property tax on designated forest land.

2. Need:

YES	NO	
X		Is the document necessary to comply with the statutes that authorize it? (E.g., Is it necessary to comply with or clarify the application of the statutes that are being implemented? Does it provide detailed information not found in the statutes?)
	X	Is the document obsolete to a degree that the information it provides is of so little value that the document warrants repeal or revision?
	X	Have the laws changed so that the document should be revised or repealed? (If the response is "yes" that the document should be repealed, explain and identify the statutes the rule implemented, and skip to Section 10.)
X		Is the document necessary to protect or safeguard the health, welfare (budget levels necessary to provide services to the citizens of the state of Washington), or safety of Washington's citizens? (If the response is "no", the recommendation must be to repeal the document.)

Please explain.



RCW 84.33.140(1) provides a valuation table for forest land that is broken up by land grades and operability classes. WAC 458-40-530 explains the criteria used to determine the grades and operability classes of land. These criteria provide the basis for understand the criteria used to set land grades and operability classes for the land value table.

RCW 84.33.140(2) requires that the forest land value tables be revised annually. The forest land value table as revised is published in WAC 458-40-540. The department uses a statutory formula to determine forest land values. The rule publishes these values so assessors may calculate property tax on this designated forest land.

3. Related ancillary documents, court decisions, BTA decisions, and WTDs: Complete
Subsection (a) only if reviewing a rule. Subsection (b) should be completed only if the subject of the review is an ancillary document. Excise Tax Advisories (ETAs), Property Tax Bulletins (PTBs) and Audit Directives (ADs) are considered ancillary documents.

(a)

YES	NO	
	X	Are there any ancillary documents that should be incorporated into this rule? (An Ancillary Document Review Supplement should be completed for each and submitted with this completed form.)
	X	Are there any ancillary documents that should be repealed because the information is currently included in this or another rule, or the information is incorrect or not needed? (An Ancillary Document Review Supplement should be completed for each and submitted with this completed form.)
	X	Are there any Board of Tax Appeal (BTA) decisions, court decisions, or Attorney Generals Opinions (AGOs) that provide information that should be incorporated into this rule?
	X	Are there any administrative decisions (e.g., Appeals Division decisions (WTDs)) that provide information that should be incorporated into the rule?

(b)

YES	NO	
		Should this ancillary document be incorporated into a rule?
		Are there any Board of Tax Appeal (BTA) decisions, court decisions, or Attorney Generals Opinions (AGOs) that affects the information now provided in this document?
		Are there any administrative decisions (e.g., Appeals Division decisions (WTDs)) that provide information that should be incorporated into the document?

If the answer is “yes” to any of the questions in (a) or (b) above, identify the pertinent document(s) and provide a brief summary of the information that should be incorporated into the document.

**4. Clarity and Effectiveness:**

YES	NO	
X		Is the document written and organized in a clear and concise manner?
X		Are citations to other rules, laws, or other authority accurate? (If no, identify the incorrect citation below and provide the correct citation.)
X		Is the document providing the result(s) that it was originally designed to achieve? (E.g., does it reduce the need for taxpayers to search multiple rules or statutes to determine their tax-reporting responsibilities, help ensure that the tax law and/or exemptions are consistently applied?)
X		Do changes in industry practices warrant repealing or revising this document?
X		Do any administrative changes within the Department warrant repealing or revising this document?

Please explain. **RCW 84.33.140 provides a statutory valuation formula for forest land and directs the Department of Revenue to determine these forest land values. This creates a consistent and efficient system for valuing forest land. Both rules continue to work and are reasonable. Revision of the land value table in WAC 458-40-540 is required each year by statute. This yearly revision insures that the property is valued on an annual basis like other real property in the state.**

When next revised a cross reference to the newly adopted forest land removal rule should be added to WAC 458-40-540. The department adopted a removal rule in the current use chapter, WAC 458-30-700, that discusses the removal of forest land from that designation and collection of the compensating tax. A cross reference in the valuation rule will help taxpayers more effectively find and understand the relationship of these rules.

5. Intent and Statutory Authority:

YES	NO	
X		Does the Department have sufficient authority to adopt this document? (Cite the statutory authority in the explanation below.)
X		Is the document consistent with the legislative intent of the statutes that authorize it? (I.e., is the information provided in the document consistent with the statute(s) that it was designed to implement ?) If “no”, identify the specific statute and explain below. List all statutes being implemented in Section 9, below.)
	X	Is there a need to recommend legislative changes to the statutes being implemented by this document?

Please explain. **RCW 84.33.140 provides specific authority for the department to adjust forest land values by rule and certify these adjusted values to the county assessors. RCW 84.33.096 provides for the administrative provisions of chapter 82.32 RCW, including general rulemaking authority under RCW 82.32.300, to apply to all taxes in Chapter 84.33 RCW. RCW 82.01.060(2) also provides the department with rulemaking authority.**



6. Coordination: Agencies should consult with and coordinate with other governmental entities that have similar regulatory requirements when it is likely that coordination can reduce duplication and inconsistency.

YES	NO	
	X	Could consultation and coordination with other governmental entities and/or state agencies eliminate or reduce duplication and inconsistency?

Please explain. **No other agency is responsible for setting forest land values by rule.**

7. Cost: When responding, consider only the costs imposed by the document being reviewed and not by the statute.

YES	NO	
	X	Have the qualitative and quantitative benefits of the document been considered in relation to its costs? (Answer “yes” only if a Cost Benefit Analysis was completed when the rule was last adopted or revised.)

Please explain.

8. Fairness: When responding, consider only the impacts imposed by the document being reviewed and not by the statute.

YES	NO	
X		Does the document result in equitable treatment of those required to comply with it?
X		Should it be modified to eliminate or minimize any disproportionate impacts on the regulated community?
	X	Should the document be strengthened to provide additional protection to correct any disproportionate impact on any particular segment of the regulated community?

Please explain. **WAC 458-40-530 does not need amendment. WAC 458-40-540 tracks the market value of forest land and needs regular amendment as provided by law.**

9. LISTING OF DOCUMENTS REVIEWED: (Use “bullets” with any lists, and include documents discussed above. Citations to statutes, ancillary documents, and similar documents should include titles. Citations to Attorneys General Opinions (AGOs) and court, Board of Tax Appeals (BTA), and Appeals Division (WTD) decisions should be followed by a brief description (i.e., a phrase or sentence) of the pertinent issue(s).)

Statute(s) Implemented: **RCW 84.33.140**

Ancillary Documents (i.e., ETAs, PTBs, and ADs): **None.**

Court Decisions: **None.**

Board of Tax Appeals Decisions (BTAs): **None.**



Administrative Decisions (e.g., WTDs): **None.**

Attorney General's Opinions (AGOs): **None.**

Other Documents (e.g., special notices or Tax Topic articles, statutes or regulations administered by other agencies or government entities, statutes, rules, or other documents that were reviewed but were not specifically relevant to the subject matter of the document being reviewed):

WAC 458-30-700 (Designated forest land--Removal--Change in status--Compensating tax.)

10. Review Recommendation:

☒ Amend

☐ Repeal

☒ Leave as is

☐ Begin the rule-making process for possible revision. (Applies only when the Department has received a petition to revise a rule.)

☐ Incorporate ancillary document into a new or existing rule. (Subject of this review must be an ancillary document and not a rule.)

Explanation of recommendation: (If recommending an amendment of an existing rule, provide only a brief summary of the changes you've identified/recommended earlier in this review document.) **RCW 84.33.140 requires an annual adjustment be made in WAC 458-40-540. This annual revision tracks the market in these lands and protects the owner and the government by providing an accurate timely value for property tax purposes. The department should also consider adding a cross reference to WAC 458-30-700.**

11. Manager action: Date: 6/4/03

AL Reviewed and accepted recommendation

Amendment priority:

☒ 1 (Annual)

☐ 2

☐ 3

☐ 4